

Congress of the United States
Washington, DC 20515

January 5, 2023

The Honorable Xavier Becerra
Secretary
Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Secretary Becerra and Administrator Brooks-LaSure:

This letter is to bring your attention to dire financial circumstances at Madera Community Hospital (MCH) in Madera, California. After financial solvency issues and a failed merger, the hospital declared bankruptcy and shut its doors to new patients on January 3, 2023. The closure of this hospital leaves over 100,000 residents without a hospital in their community. I urge you to use all authorities at your disposal, including declaring a local health emergency, to ensure continued healthcare services are provided to the region.

MCH is a vital institution. Opened in 1971, it services both the City of Madera—with a population of 64,000—along with rural parts of Madera County—which has significant poverty and a large Hispanic community. A majority of the hospital's population benefits from federally funded healthcare coverage, including Medicare, Medicaid, and the Children's Health Insurance Program (CHIP). The hospital provided 103 critical care beds along with three rural clinics run by MCH. The community benefited from its accessible maternity services, emergency room, and ambulatory services.

The pandemic and rising healthcare prices, especially staffing costs, took a toll on Madera Community Hospital. After operating in the red for several years, MCH began accepting bids to be acquired. Trinity Health (Trinity) won the bid. Trinity submitted a proposal to take over MCH to California's Attorney General in Fall of 2022. After a thorough review process, balancing the needs of the Madera community with Trinity's requirements, California Attorney General Rob Bonta approved the sale on December 15, 2022. Trinity Health announced it would not move forward with the acquisition a week later, sending the community into disarray. Labor and delivery services ended on Wednesday, December 28th. The emergency department closed on Friday, December 30th. All other hospital services ceased on January 3rd. The rural clinics located in Madera, Chowchilla, and Mendota will close on January 10th. The Madera Sheriff's Office proclaimed a local state of emergency following the closure of MCH on December 29th.

The people of Madera are hurting. I have heard from many constituents expressing their concern, both from Madera and the surrounding communities. They are scared about the uncertainty of not having access to healthcare. One individual explained that he does not have access to a car and does not know how he is going to get his mother to and from appointments.

Another called asking how much wait times are going to increase at her local hospital, which will help service individuals who would have otherwise been directed to MCH.

The San Joaquin Valley is already medically underserved. We are now asking the brave frontline workers who are stretched thin and burnt out to stretch themselves just a little farther. Local hospitals are taking on additional patient loads at an already very strenuous moment of our country's healthcare system due to the "tripledemic." The neighboring Fresno County—which houses the next closest hospital to MCH, Community Regional Medical Center (CRMC)—proclaimed a local emergency due to hospital capacity. Community Regional Medical Center is working at disaster level status to treat patients from COVID, flu and RSV. As the only Level 1 Trauma Center in Central California its emergency department has more than 200 patients and has had to divert trauma patients due to overcapacity. It has about 100 patients awaiting rooms. CMRC is also taking in patients transferred out of Madera Hospital and needs additional staffing and resources from the federal government to safely meet the demand.

The Department of Health and Human Services (HHS) has existing statutory authority to intervene. Section 319 of the Public Health Service (PHS) Act (42 U.S.C. §247d) provides HHS "broad legal authorities to provide assistance to states and local entities," including assisting localities with developing and implementing a response to meet health emergencies or problems.¹ In addition to declaring a Public Health Emergency, you could activate the U.S. Public Health Service (USPHS) Commissioned Corps and select members of the Medical Reserve Corps (MRC) to ensure that those in Madera are receiving care. In addition, 42 U.S.C. §247d-3b gives you the authority to award competitive grants or cooperative agreements to help entities improve surge capacity and enhance community preparedness. This authority will allow you to assist the surrounding hospitals as they face the current surge of patients.

The people of Madera County and the Valley deserve nothing less than the same basic and critical healthcare services afforded to other Americans. I respectfully request you give this situation your full and fair consideration. I stand ready to work with you to ensure this hospital can continue to serve the community.

Sincerely,



JIM COSTA
Member-Elect



JOHN DUARTE
Member-Elect

Cc: Jeffrey Reynoso, Region IX Director, U.S. Department of Health and Human Services
Mark Ghaly, Secretary, California Health & Human Services Agency

¹ <https://aspr.hhs.gov/legal/Pages/Legal-Authority-of-the-Secretary.aspx#:~:text=The%20HHS%20Secretary%20has%20legal%20authority%20to%20take,and%20Cosmetic%20Act%3B%20and%20the%20Social%20Security%20Act.>